LaJuana S. Wilcher Secretary

AIR QUALITY PERMIT

Issued under 401 KAR 52:040 State-Origin Permits Ernie Fletcher Governor



Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382

Permittee Name: Begley Lumber Co, Inc.

Mailing Address: P.O. BOX 856

Hyden, KY 41749

state origin operating permit for the operation of lumber production

Source Name: Begley Lumber Company

Mailing Address: P.O. Box 856, Hyden, KY 41749 Source Location: 39 Sawdust Rd, Hyden, KY 41749

Source ID #: 21-131-00017 SIC Code: 2421 Source Activity #: APE20010001 County: Leslie Source AI #: 2645 Permit Type: Operating

Permit Number: S-05-077

Regional Office: Hazard Region

233 Birch Street Issuance Date: June 17, 2005 Hazard, KY 41701-2179 Expiration Date: June 17, 2015

(606) 435-6022

John C. Lyong Dingston

John S. Lyons, Director Division for Air Quality

DEP7001 (6-97) *Revised: 07/10/03*

Begley Lumber Co Inc Subject Item Inventory

Activity ID No.: APE20010001

Subject Item Inventory:

ID	Designation	Description
AIOO2645		
EQPT1	001	Saw Mill (Debarker, saws, edgers, end trimmers and chipper)
EQPT2	002	Haul Road and Yard Area

<u>KEY</u>	
ACTV = Activity	AIOO = Agency Interest
AREA = Area	COMB = Combustion
EQPT = Equipment	MNPT = Monitoring Point
PERS = Personnel	PORT = Transport
STOR = Storage	STRC = Structure
TRMT = Treatment	

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Page 1 of 10

Submittal/Action Requirements:

No. Condition

Condition

S-1 SEMIANNUAL REPORTS:

The permittee shall submit report(s): Due semiannually, by the 30th of January and July to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit. This report shall be a summary of any monitoring required by this permit, other than continuous emission or opacity monitors. For emission units that had not yet begun construction, were still under construction, or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation. All reports shall be certified by a responsible official. All deviations from permit requirements shall be clearly identified in the reports. [401 KAR 52:040 Section 21]

S-2 COMPLIANCE CERTIFICATION:

The permittee shall certify compliance with the terms and conditions contained in this permit and shall submit compliance certification: Due annually, by the 30th of January to the Regional Office listed on the front of this permit. Compliance Certification Form (DEP 7007CC) (or an approved alternative) shall be used in accordance with the following requirements:

- a. Identification of the term or condition;
- b. Compliance status of each term or condition of the permit;
- c. Whether compliance was continuous or intermittent;
- d. The method used for determining the compliance status for the source, currently and over the reporting period, and
- e. For emission units that had not yet begun construction, were still under construction, or which had not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is not in operation and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.
- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications should be mailed to the Regional Office listed on the front of this permit and the following address:

Division for Air Quality Central Files 803 Schenkel Lane Frankfort, KY 40601. [401 KAR 52:040 Section 19]

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Submittal/Action Requirements:

Condition	
No.	Condition
S-3	PERFORMANCE TEST NOTICE AND REPORT:
	Pursuant to Section VII 2.(1) of the policy manual of the Division for Air Quality as referenced by 401 KAR 50:016, Section 1.(1), at least one month prior to the date of any required performance test(s), the permittee shall complete and return a Compliance Test Protocol (Form DEP 6027) to the Division's Frankfort Central Office. Pursuant to 401 KAR 50:045, Section 5, the Division shall be notified of the actual test date at least ten (10) days prior to the test.
	For any performance test(s) required by this permit, the permittee shall submit performance/emission test results: Due within 45 days of the completion of the fieldwork to the Division. [Policy Manual of the Division for Air Quality, Section VII.3] [401 KAR 50:016 Section 1(1)]
S-4	PERMIT EXPIRATION AND REAPPLICATION REQUIREMENTS:
	This permit shall remain in effect for a fixed term of ten (10) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division. The permittee shall submit permit application for renewal: Due 180 calendar days before permit expiration date to the Division. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 52:040 Section 15]

Narrative Requirements:

Condition No.	Condition	
	Condition	
T-1	SECTION A.	PERMIT AUTHORIZATION. [401 KAR 52:040]

Page 2 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Condition No.	Condition
T-2	A1. Pursuant to a duly submitted application, the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.
	The permittee shall not construct, reconstruct, or modify an affected facility without first having submitted a complete application and received a permit for the planned activity from the Division, except as provided in this permit or in 401 KAR 52:040, State-origin permits.
	Issuance of this permit does not relieve the permittee from the responsibility of obtaining other permits, licenses, or approvals that may be required by the Cabinet or other federal, state, or local agencies. [401 KAR 52:040]
T-3	A2. The Division for Air Quality has determined that this facility's potential to emit any air pollutant is less than 100 tons per year. Therefore, although the permit is conditioned to allow emissions in excess of 100 tons per year pursuant to federally enforceable Regulation KAR 59:010, New process operations, emissions equal to or in excess of 100 tons per year of any pollutant are not possible. Accordingly, this permit is being issued as a minor source state-origin permit. [401 KAR 52:040]. [401 KAR 52:040]
T-4	SECTION B. ADMINISTRATIVE REQUIREMENTS. [401 KAR 52:040]
T-5	B1. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:040, Section 3(1)(b) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit. [401 KAR 52:040 Section 3(1)(b)]
T-6	B2. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1a (11)]. [401 KAR 52:040 Section 23]
T-7	B3. This permit may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1a (4) and (5)]. [401 KAR 52:040 Section 23]
T-8	B4. This permit does not convey property rights or exclusive privileges. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1a, 8]. [401 KAR 52:040 Section 23]
T-9	B5. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance. [401 KAR 52:040 Section 11(3)]

Page 3 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Condition No.	Condition
T-10	B6. This permit shall be subject to suspension at any time the permittee fails to pay all fees within 90 days after notification as specified in 401 KAR 50:038 Section 3(6)(b), Air emissions fee. The permittee shall submit an annual emissions certification. [401 KAR 52:040 Section 20]
T-11	B7. All previously issued construction and operating permits are hereby null and void. [401 KAR Chapter 52]
T-12	SECTION C. RECORD KEEPING REQUIREMENTS. [401 KAR 52:040]
T-13	C1. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of at least five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Sections 1b (IV)(2) and 1a (7)]. [401 KAR 52:040 Section 23]
T-14	C2. The permittee shall perform compliance certification and recordkeeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official. [401 KAR 52:040 Section 21]
T-15	SECTION D. REPORTING REQUIREMENTS. [401 KAR 52:040]
T-16	D1. a. The permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows i. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown. ii. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards notification shall be made as promptly as possible by telephone (or other electronic media) and shall submit written notice upon request. b. The permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Reporting Requirement condition D1.a above), the probable cause of the deviation, and corrective or preventive measures taken; to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1b, V(3)]. [401 KAR 50:055 Section 1]
T-17	D2. The permittee shall furnish information requested by the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or compliance with the permit. [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1a, 6]. [401 KAR 52:040 Section 23]
T-18	SECTION E. INSPECTIONS. [401 KAR 52:040]

Page 4 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Condition No.	Condition
T-19	E1. The permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times: a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation; b. To access and copy any records required by the permit: c. Inspect any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit. d. Sample or monitor substances or parameters to assure compliance with the permit or any applicable requirements. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency. [401 KAR 52:040 Section 3(1)(f)]
T-20	SECTION F. EMERGENCIES/ENFORCEMENT PROVISIONS. [401 KAR 52:040]
T-21	F1. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Cabinet Provisions and Procedures for Issuing State Origin Permits, Section 1a, 3]. [401 KAR 52:040 Section 23]
T-22	F2. An emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that: a. An emergency occurred and the permittee can identify the cause of the emergency; b. The permitted facility was at the time being properly operated; c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and d. The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
	These provisions are in addition to any emergency or upset provision contained in an applicable requirement. [401 KAR 52:040 Section 22(1)]
T-23	F3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:040 Section 22(2)]
T-24	SECTION G. COMPLIANCE. [401 KAR 52:040]

Page 5 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Condition	
No.	Condition
T-25	G1. Periodic testing or instrumental or non-instrumental monitoring, which may consist of record keeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
	a. Pursuant to 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by 401 KAR 50:055, Section 1.
	b. All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and non routine maintenance performed on each control device.
	c. A log of the monthly raw material consumption and/or monthly production rates shall be kept available at the facility. Compliance with the emission limits may be demonstrated by computer program, spread sheets, calculations or performance tests as may be specified by the Division. [401 KAR 50:055 Section 2]
T-26	G2. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with all: (a) Applicable requirements that are included and specifically identified in this permit; or (b) Non-applicable requirements expressly identified in this permit. [401 KAR 52:040 Section 11]

Page 6 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Page 7 of 10

EQPT1 (001) Saw Mill (Debarker, saws, edgers, end trimmers and chipper)

particulate emissions. [401 KAR 59:010]

T-1

Limitation Requirements:

	1	
Condition		
No.	Parameter	Condition
L-1	PT (Particulate Matter)	Each unit shall have a maximum emissions of PT (Particulate Matter) <= 19.24 lbs/hr. If the process weight rate for the unit is 1,000 lbs/hr or less, the limit on emissions of particulate matter is 2.34 lb/hr. If the process weight rate for the unit is above 1,000 lbs/hr, the limit on emissions of particulate matter from the unit can be determined (in lbs/hr) by taking the process weight rate for materials introduced into the unit (in tons/hr), raising the process weight rate value to the 0.62 power, and multiplying by 3.59 (maximum = 3.59 x process weight rate^0.62).
		Compliance Demonstration
		Compliance will be demonstrated from the following emission calculation basis and monitoring requirements: PT emission in pounds per hour= (monthly processing rate in tons/month)(1 month/hours of operation that month)(emission factor of 2 lb PT/ton)(1-control efficiency of 0.75).
		See Monitoring Requirements for monitoring rates and visual inspection of controls. [401 KAR 59:010 Section 3(2)] Statistical basis: Three-hour average.
L-2	Visible Emissions	Each unit shall have Visible Emissions < 20 % opacity. [401 KAR 59:010 Section 3(1)] Statistical basis: Six-minute average.
Narrativ	re Requirements:	
Appli	cable Regulations:	
Condition No.	Condition	

Applicable Regulations: New process operations is applicable to each affected facility associated with a process operation commenced after July 2, 1975 and limits

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Recordkeeping:

Condition No.	Condition
T-2	Recordkeeping: The permittee shall maintain records of the following: 1) monthly hours of operation and material processing rate; 2) the weekly log of qualitative visual observation of opacity of emissions and the opacity determined by Reference Method 9, if any were taken, and repairs that were made due to any opacity reading which exceeded the standard. [401 KAR 52:040 Section 10]

Monitoring:

Condition No.	Condition
T-3	Monitoring: The permittee shall monitor the amount of material processed on a monthly basis. [401 KAR 52:040 Section 10]
T-4	Monitoring: The permittee shall monitor the hours of operation of the unit on a monthly basis. [401 KAR 52:040 Section 10]
T-5	Monitoring: The permittee shall perform a qualitative visible observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observation. If visible emission from a stack are seen, then the opacity shall be determined by EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs. [401 KAR 52:040 Section 10]

Page 8 of 10

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

EQPT2 (002) Haul Road and Yard Area:

Page 9 of 10

S:

Condition

T-5

Applicable Regulations:

No.	Condition
T-1	Applicable Regulations: Fugitive emissions is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality. [401 KAR 63:010 Section 1]
Monit	oring:
Condition No.	Condition
T-2	Monitoring: All operations and control equipment contained in the described item or group shall be observed daily during daylight hours to determine whether conditions appear to be normal or abnormal. Normal or abnormal determinations for visible emissions monitored by visual inspection /determination daily shall be made. If the operations, controls and/or emissions appear to be abnormal the permittee must then comply with the deviation reporting described in Section D of the permit. [401 KAR 52:040 Section 10]
Condition No.	Condition
T-3	Operating Condition: No person shall cause or permit the discharge of visible fugitive dust emissions beyond the lot line of the property on which the emissions originate. [401 KAR 63:010 Section 3(2)]
T-4	No person shall cause, suffer, or allow any material to be handled, processed, transported, or stored; a building or its appurtenances to be constructed, altered, repaired, or demolished, or a road to be used without taking reasonable precaution to prevent particulate matter from becoming airborne. [401 KAR 63:010 Section 3(1)]

Such reasonable precautions shall include, when applicable, but not be limited to the following: installation and use of hoods, fans, or fabric filters to enclose and

vent the handling of dusty materials, or the use of water sprays or other measures to suppress the dust emissions during handling. Adequate containment methods

shall be employed during sandblasting or other similar operations. [401 KAR 63:010 Section 3(1)(c)]

Begley Lumber Co Inc Facility Requirements

Activity ID No.: APE20010001

Narrative Requirements:

Condition No.	Condition
T-6	Such reasonable precautions shall include, when applicable, but not be limited to the following: the prompt removal of earth or other material from a paved street which earth or other material has been transported thereto by trucking or earth moving equipment or erosion by water. [401 KAR 63:010 Section 3(1)(f)]
T-7	Such reasonable precautions shall include, when applicable, but not be limited to the following: the maintenance of paved roadways in a clean condition. [401 KAR 63:010 Section 3(1)(e)]
T-8	Such reasonable precautions shall include, when applicable, but not be limited to the following: covering, at all times when in motion, open bodied trucks transporting materials likely to become airborne. [401 KAR 63:010 Section 3(1)(d)]
T-9	No one shall allow earth or other material being transported by truck or earth moving equipment to be deposited onto a paved street or roadway. [401 KAR 63:010 Section 4(4)]

Page 10 of 10